



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

LLS 25-0236: PROTECTIONS AGAINST DECEPTIVE PRICING PRACTICES

Prime Sponsors:

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Published for: House Judiciary**Drafting number:** LLS 25-0236**Version:** Initial Fiscal Note**Date:** January 24, 2025**Fiscal note status:** The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill requires sellers to clearly disclose the total price of goods and services, and restricts which fees landlords may charge.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload
- State Revenue
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill requires sellers of goods, services, or properties to clearly disclose the total price of all amounts that a person may pay, inclusive of all fees and certain charges. Additionally, restaurants, bars, and other food service establishments must describe any mandatory service charges added to a person's bill. Finally, the bill restricts the kinds of fees that landlords can charge tenants and limits how much fees can increase.

The bill makes violating these provisions a deceptive trade practice and subject to a civil action. In addition to any other penalties in law, a person violating the provisions is liable for three times the actual damages incurred, up to \$1,000.

State Revenue

Starting in FY 2025-26, the bill may increase state revenue from civil penalties or court filing fees by a minimal amount.

Civil Penalties

Under the Colorado Consumer Protection Act, a person engaging in a deceptive trade practice may be subject to a civil penalty of up to \$20,000 for each violation. Additional penalties may be imposed for subsequent violations of a court order or injunction. This revenue is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General and district attorneys, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

Filing Fees

The bill may increase revenue to the Judicial Department from an increase in civil case filings. Revenue from filing fees is subject to TABOR.

State Expenditures

The bill may increase workload in the Department of Law and the Judicial Department beginning in FY 2025-26.

Department of Law

Workload in the Department of Law will minimally increase to the extent that complaints are filed. The department will review complaints under the bill and prioritize investigations as necessary within the overall number of deceptive trade practice complaints and available resources.

Judicial Department

The trial courts in the Judicial Department may have an increase in cases filed under the Colorado Consumer Protection Act from the addition of a new unfair and unconscionable act. It is assumed that sellers and landlords will abide by the law and that any violations will result in minimal number of new cases. The fiscal note assumes that this work can be accomplished within existing resources and that no change in appropriations is required.

Local Government

Similar to the state, to the extent district attorneys receive complaints related to the new prohibitions under the bill, workload will increase to investigate complaints and seek relief when appropriate. The fiscal note assumes most such cases will be handled at the state level by the Attorney General.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed, and applies to violations occurring on or after that date.

State and Local Government Contacts

Judicial

Law

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).